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U.S. Bankruptcy Court Newsletter

Attorneys Now Opening 35 Per Cent Of Phoenix CM/ECF Cases

Between April 1, 2004, when attorneys were first permitted to open cases on CM/ECF, and June 10, 2004, attorneys filed and opened 1666 cases in CM/ECF. This is 35 per cent of all Phoenix cases filed. In late April and early May, the court also received a large number of credit card authorizations; we now have over 100 attorneys with

credit cards on file who will be able to file cases electronically. No further credit card authorization applications will be accepted. The CM/ECF Credit Card Module, inaugurated June 1, enables attorneys to pay for filings online. Attorneys can now "pay as they go" when filing rather than have the court charge their credit cards on a daily basis.



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Arizona's U.S. Bankruptcy Court Newsletter is a publication of court policies, procedures, and information designed to assist the public and members of the bar

Sarah Sharer Curley, Chief Judge

George B. Nielsen, Jr., Judge

Redfield T. Baum, Judge

James M. Marlar, Judge

Charles G. Case II, Judge

Randolph J. Haines, Judge

Eileen W. Hollowell, Judge

Terrence S. Miller, Clerk of Court

Marta H. Labus, Editor

Judges Sign General Order No. 92, "In re Procedures Governing Alternative Dispute Resolution Matters in Bankruptcy Cases", 4/30/04

On April 30, 2004, Arizona's seven bankruptcy judges signed General Order No. 92, which officially establishes the court's Alternative Dispute Resolution Program.

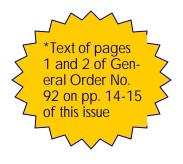
The 13-page order describes the purpose of the program as the potential reduction of the delay, costs, stress, and other burdens that may arise in the course of a bankruptcy case.

General Order No. 92 au-

thorizes the use of a wide variety of mediation techniques, including mediation, negotiation, early neutral evaluation, and settlement facilitation.

The order provides for a panel of mediators, formed from two lists of qualified attorneys and panel trustees, and an ADR Program Administrator, a bankruptcy judge to be appointed by the Chief Bankruptcy Judge.

For complete text of General Order No. 92, go to the court's web site at www.azb.uscourts.gov and click on the hyperlink on the court's home page.





UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

NOTICE TO ALL ATTORNEYS REGARDING PAYMENT OF FILING FEES ONLINE

Effective June 1, 2004, you will be able to pay online, using a credit card, a petition filing fee, if you are electronically filing the petition, or a filing fee incurred when e-filing other documents such as a Motion for Relief From the Automatic Stay or an Amendment to Schedules D,E,F. Until such time as you are able to open an adversary proceeding and e-file the complaint, the adversary filing fee must still be paid by check when filing the paper complaint.

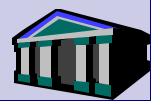
If you have a credit card authorization on file with the court, the court will charge your credit card one last time for your e-filings made through May 31, 2004. The court will then destroy your credit card authorization. Starting with e-filings you make on June 1, 2004, you will pay the filing fee incurred online as part of the electronic filing process. Your ECF filing password will have been updated to give you access to the online payment of filing fees module.

If you have been paying your filing fees by check and wish to start paying those fees online with a credit card, you will need to have the online credit card payment access added to your password. To have this access added to your password, please call the ECF help line at 602-640-5800, extension 242. For any filings that incur a fee made after your call, you may then pay the filing fee online by credit card. To pay a petition filing fee online, you must also be able to electronically file the petition and open the case.

VISA, MasterCard, American Express, Discover and Diner's Club credit cards may be used. Those debit cards which can be used as one of these credit cards are also accepted.

May 20, 2004

TERRENCE S. MILLER CLERK OF COURT



Paperless Files Committee Sets October 1 As Paperless System Implementation Date

ECF Limited Use Passwords To Be Set Up To Help Achieve Court's Paperless Goal

At its May 11 meeting, the USBC Paperless Committee established **October 1, 2004** as its target date for a completely paperless system. To further this goal, the committee agreed that limited use passwords be set up in CM/ECF for the following user groups:

Unclaimed Funds Agents:

For filing of Applications to Pay Out Unclaimed Funds.

Non-attorney Professionals, Examiners, and Chapter 11 Trustees:

> For filing fee applications and debtorin-possession

monthly reports and other reports.

Document Preparers:

For uploading mailing lists and filing schedules, statements and other documents they are permitted to file.

Supreme Court Approves Bankruptcy Rules Amendments

Information from the federal judiciary's website at www.uscourts.gov/rules/index

A mendments to the Federal Rules of Bankruptcy Procedure have been approved by the Supreme Court of the United States pursuant to Section 2072 of Title 28, United States Code. These amendments were transmitted by the Chief Justice to the Congress on April 26, 2004. The amendments will become effective on December 1, 2004, unless Congress takes further action.

Bankruptcy Rules amendments approved included those to Bankruptcy Rules 1011, 2002, and 9014. Rule 1011 (Responsive Pleading or Motion in Involuntary and Ancillary Cases) is a technical amendment that deletes cross-reference to Bankruptcy Rule 1004(b). Rule 2002



(Notices to Creditors, Equity Security Holders, United States, and United States Trustee) is a technical amendment that sets forth the Internal Revenue Service correct mailing address. Rule 9014 (Contested Matters) exempts contested matters from the mandatory disclosure provisions of Civil Rule 26.

Judicial Conference Committee
On Rules of Practice and Procedure Approves Proposed
Bankruptcy Rules
Amendments

At its June 17-18, 2004, meeting, the Judicial Conference Committee on Rules of Practice

and Procedure approved the recommendations of the Advisory Committee on Bankruptcy Rules, thus approving the following proposed bankruptcy rules amendments:

Bankruptcy Rules 1007, 3004, 3005, 4008, 7004, and 9006.

The Committee will now transmit the proposed amendments to the Judicial Conference, with a recommendation that they be approved at the Conference's September 2004 session and transmitted to the Supreme Court

In Chief Judge Curley's and Judge Haines's Courts, Court Call in Use for Telephonic Hearings

On April 1, 2004, Chief Judge Sarah Sharer Curley adopted new telephonic appearance procedures. All telephonic appearances are now arranged through Court Call, an independent conference call company. All telephonic appearances involving more than one caller must be made through Court Call.

Attorneys who wish to appear telephonically may contact Court Call at (866) 582-6878, no later than 3:00 p. m. the business day prior to the court hearing. Any re-

quest for a telephonic appearance made after the 3:00 p.m. deadline must be court approved by contacting Judge Curley's Courtroom Deputy, Wanda Garberick, at (602) 640-5800 ext. 433, between 7:30 and 8:30 a.m. the day of the hearing.

The Court Call coordinator will need:

- Court date and time
- Name of Judge
- Case name and number
- Name and phone number of the attorney

appearing

• Verification that a Court Conference Center account has been set up

Attorneys will receive fax confirmation the day before the hearing.

Judge Randolph J. Haines began mandating the use of Court Call for telephonic appearances March 17, 2004. Similar procedural information applies to Judge Haines' court. Attorneys who miss the 3:00 p.m. deadline on the business day prior to the (Continued on p. 5)



Chief Judge Curley: Court's Establishment Of ADR Program Benefits from FJC Program For Consultation in Dispute Resolution

Chief Judge Sarah Sharer Curley was interviewed in the May 2004 issue of *The Third Branch*, the AO new sletter of the federal courts, regarding the Arizona bankruptcy court's participation in the Federal Judicial Center's Program for Consultation in Dispute Resolution.

The program was established last year to provide on-site consultations to district and bankruptcy courts on ADR processes, either to establish a new program or to enhance an existing program, in compliance with the ADR Act of 1998.

Chief Judge Curley heads one of 10 courts that have participated in the consultation process to date. She considers USBC Arizona's results a success. "Our consultation included both a judge and an ADR administrator who had long-term ADR programs in their courts. They gave us a perspective from the judicial and administrative standpoint. And they helped us explore the successes and the problems in their programs. That was really important to the process," Judge Curley commented.

The ADR consultants were able to address a major concern, that the program would function well with Arizona's large number of pro se litigants, and to reassure judges and practicing attorneys.

"With assistance from practicing attorneys, we put together a general order for the court," Judge Curley added.
"In April, we presented the order to our judges. We'll train attorneys in ADR at the state bar meeting in June. And we plan to have one ADR program in place by this fall."



SSC, RJH Adopt Court Call for Telephonic Appearances

(Continued from p. 4)
hearing must contact Judge
Haines' Courtroom
Deputy, Janet Smith, at
(602) 640-5800, ext. 424 between 7:00 and 8:00 a.m. the
day of the hearing.

Judge Curley's online procedures include a note that the policy governing telephonic appearances should apply to matters on the **Phoenix** hearing site calendar unless

otherwise ordered by the court. Northern Arizona attorneys or attorneys who practice in Prescott will have the opportunity to appear via videoconference at the new Prescott Valley Court facility. *(Please see p. 8 of this issue.)

Prices and procedures for appearing telephonically through Court Call are posted to both Judge Curley's and

Judge Haines's procedural documentation on the U.S. Bankruptcy Court web site at www.azb.uscourts.gov. Click on the "Judges Procedures" link on the court's home page. Please also check the respective judges' online documentation regarding those instances in which telephonic appearances are not permitted.



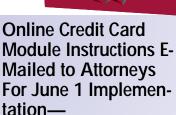
Tucson Blueprint Awarded Copy Service Contract

Submitted by Linda Broz

ucson Blueprint has been awarded a **six-month** agreement to perform off-site copy services for our Tucson office beginning May 1, 2004, and continuing through October 31, 2004. The agreement provides for the new rates as follows:

- ⊕ **Copies**: \$.15 per page.
- ⊕ **Searches**: \$15.00 per document/pleading searched.
- ⊕ **Local FAX Delivery:** \$1.00 per delivery.
- ⊕ **Long Distance FAX Delivery**: \$.50 per page.
- ⊕ **Rush Service Charges**: \$10.00 per order.

Tucson Blueprint will provide a flyer on rates and services for distribution at the Public Services window.



Complete instructions for online credit card payment of filing fees were sent out to all attorneys with e-mail addresses available through CM/ECF. The instructions include a list of filing fees payable online in CM/ECF and step-by-step payment instructions.

Attorneys are reminded that adversary proceedings cannot yet be opened online, and that fee payment for the filing of an adversary complaint must still be made by check.

Attorneys with questions about the CM/ECF Credit Card Module should call the CM/ ECF Help Desk at 602.640.5800, ext. 242.

Judge Nielsen Acquires New Judicial Assistant; Judge Case's Court Welcomes New ECR Operator

Rachael Stapleton, former Electronic Court Reporter for Judge Charles G. Case II's court, officially began her new duties as Judge George B. Nielsen, Jr.'s Judicial Assistant June 1. As an ECR operator, Rachael was instrumental in writing documentation for the court's vCal

calendaring system and also provided training on both ECR and vCal procedures.

tacy Pavese is now the Electronic Court Recording Operator for Judge Case's court. Stacy began her training as ECR Operator/Case Administrator on April 26. She

comes to the court from the Arizona Attorney General's Office, where she worked as a Legal Secretary II. Stacy has also been a Bankruptcy Assistant with Phillips and Associates and has held paralegal and legal secretarial positions in Albuquerque, NM.



June 22, 2004: First Hearing Scheduled For New Prescott Valley Court Facility

The mailing address for the new Prescott Valley court facility should be used when preparing notices of hearings, or orders setting hearings, starting with the June 22, 2004 hearing date.

The new address is 3001 Main Street, Ste. 2E, Prescott Valley, Arizona 86314.

Customer Service: Please Put It in Writing

How are we doing? Do you have comments on the USBC's customer service at any of our three office locations? If

so, please put them in writing. This will help us to recognize outstanding service to court clients as well as to correct defects and strive for customer service improvement.

You may also fill out an online Customer Service Questionnaire on the court's web site at www.azb.uscourts.gov Click on the "Guestbook" hyperlink at the left of the court's home page.

Attention: Attorneys:

Please read the "Notice Regarding New Bankruptcy Court Facility in Prescott Valley" on p. 7.

Photos on p. 8!



UNITED STATES BANKRUPTCY COURT DISTRICT OF ARIZONA

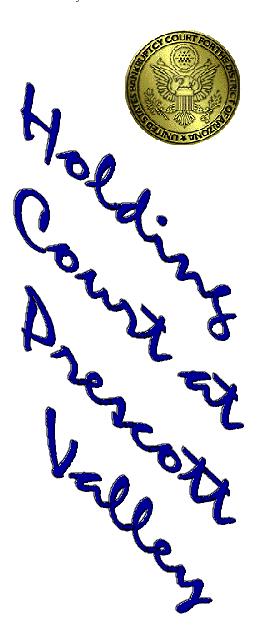
NOTICE TO ATTORNEYS REGARDING NEW BANKRUPTCY COURT FACILITY IN PRESCOTT VALLEY

The United States Bankruptcy Court for the District of Arizona has obtained leased space in the Prescott Valley Town Center in Prescott Valley to be used as a courtroom. The space is currently undergoing tenant improvements. Bankruptcy Court hearings will move from the U.S. Post Office Building in Prescott to the new facility in Prescott Valley starting with the June 22, 2004, hearings. The new facility may be ready prior to the May 17, 2004, hearings which are presently set for the Post Office Building in Prescott. If the new facility is ready prior to May 17, 2004, hearings for that date may be transferred to the new Prescott Valley facility. If that is to occur, you will receive notice that the hearings are being moved to the new facility prior to May 17, 2004.

The new Bankruptcy Courtroom Facilities are located in the Prescott Valley Town Center at **3001 Main Street**, **Suite 2E**, **Prescott Valley**, **Arizona**.

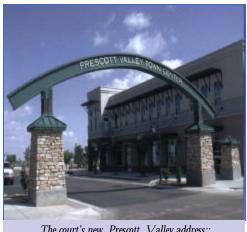
The new Bankruptcy Courtroom in Prescott Valley will have video-conferencing capability. If you also have video-conferencing capability and are interested in appearing at Prescott Valley hearings by video-conference, you will first need to insure that your system is compatible with the court's system. Please call Karl Ozols, of our MIS department, to determine if your video conference system can be used. His phone number is 602-640-5800 extension 262.

Terry Miller Clerk of Court Submitted by Linda Broz





A place for a cool., refreshing pause: Prescott Valley Town



The court's new Prescott Valley address:: 3001 Main St., Ste. 2E
Prescott Valley, AZ 86314



Early stages of the interior remodeling project



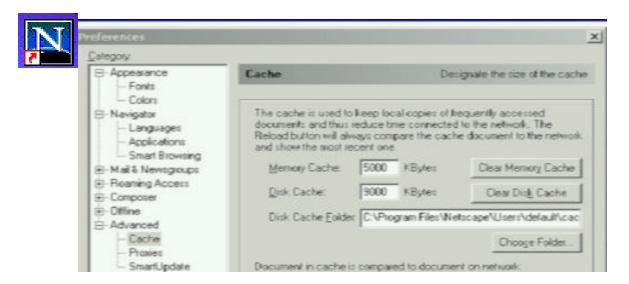
Looking towards Prescott Valley

Are You and the USBC Really on the Same Page?: Learn How to Clear Your Internet Browser's Cache

By Randy Merrill, Operations Manager

When you use the CM/ECF online Credit Card Module, is your payment window not displaying? This may be caused by the need to clear your Internet browser cache.

To clear your browser cache in **Netscape**, go to Edit? Preferences and expand the Advance category and then click the "Clear Memory Cache" and "Clear Disk Cache" buttons:



To clear your browser cache in **Internet Explorer**, go to Tools? Internet Options and click on the "Delete Files" button:





Filings Up for Judiciary's Second Quarter; Increases Seen in Most Chapters Over 12-month Period

The number of bankruptcy cases filed in federal courts rose 2.7 percent in the 12-month for fiscal year 2003, when 1,625,813 bankruptcy cases were filed in the 12-month period ending September 30. Bankruptcy filings rose from 1,611,268 in the 12-month period ending March 2003 to 1,654,847 in the same 12-month time period in 2004. The number of filings was down slightly from the record 1,661,966 bankruptcy cases filed during fiscal year 2003, the 12-month period ending September 30. Total bankruptcy filings first broke the 1.5 million mark in the 12-month period ending March 31, 2002.

Non-business filings for March 2004 totaled 1,618,062, up 2.8 percent from the total non-business filings of 1,573,720 filings in the 12-month period ending March 31, 2003. The highest number of non-business bankruptcy filings was for fiscal year 2003, when 1,625,813 bankruptcy cases were filed in the 12-month period ending September 30.

Business filings in March 2004 totaled 36,785, down 2.0 percent from the 37,548, business filings in the 12-month period ending March 31, 2003.

Filings per authorized bankruptcy judgeship have risen from 2,965 filings per judgeship in March 1992 to 5,108 in March 2004.

Business and Non-Business Filings

Years Ended March 31, 1999-2004

Year	Total	Non-Business	Business
2004	1,654,847	1,618,062	36,785
2003	1,611,268	1,573,720	37,548
2002	1,504,806	1,464,961	39,845
2001	1,307,857	1,271,865	35,992
2000	1,301,205	1,263,096	38,109
1999	1,419,199	1,378,071	41,128

(Continued on p. 11)

(Continued from p. 10)

Filings by Quarter

The number of bankruptcies filed during the second quarter of the Judiciary's fiscal year 2004 (January 1, 2004 -March 31, 2004) was 407,572. Filings for the Judiciary's first quarter of fiscal year 2003 (October 1, 2003 -December 31, 2003) totaled 393,348. Statistics for previous quarters can be found on the Judiciary's website at www.uscourts.gov/bnkrpctystats/statistics.htm#quarterly

Filings by Chapter

Filings increased under all bankruptcy chapters, except Chapter 12. Chapter 7 filings increased 3.6 percent, from 1,135,436 in 2003 to 1,176,654 in the 12-month period ending March 31, 2004. Chapter 13 filings rose 0.3 percent, from 464,369 at the end of March 2003 to 465,878 in 2003. Chapter 11 filings rose 8.6 percent, from 10,722 in 2003 to 11,649 in 2003. Only Chapter 12 filings fell, dropping 9.3 percent from 632 in March 2003 to 573 in March 2004.

Total Bankruptcy Filings by Bankruptcy Chapter												
Years Ended March 31, 1999-2004 <u>Chapter</u>												
<u>Year</u> 7 11 12 13 Other												
2004	1,176,654	11,649	573	465,878	93							
2003	1,135,436	10,722	632	464,369	109							
2002	1,059,777	11,477	389	433,107	56							
2001	904,397	10,139	248	393,033	40							
2000	908,802	10,071	739	381,568	25							
1999	1,017,049	8,010	859	393,245	36							

A breakdown of the latest data on bankruptcy filings is available on the Judiciary's web site at www.uscourts.gov under Newsroom/Bankruptcy Statistics at http://www.uscourts.gov/news.html

United States Bankruptcy Court District of Arizona Filing Statistics Analysis

Calendar Year 2003 vs. 2004

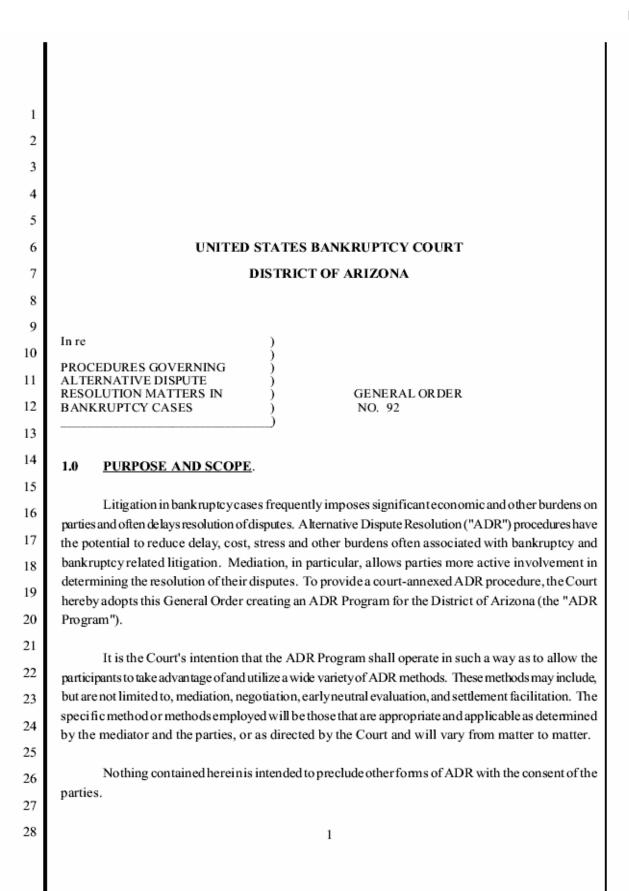
CHAPTER 7	PHO	PHOIMIX		TUCSON		%	AMOX		%	DISTRICT		%
	2003	2004		2003	2004		2003	2004		2003	2004	
January	1177	1146	(2.6)	372	286	(23.1)	93	96	3.2	1642	1528	(6.9)
February	1233	1309	62	391	392	03	122	138	13.1	1746	1839	53
March	1548	1862	203	484	589	21.7	170	178	4.7	2202	2629	19.4
April	1623	1725	63	555	521	(6.1)	158	141	(10.8)	2336	2387	22
May	1581	1571	0.0	554	451	(18.6)	167	143	(14.4)	2302	2165	(6.0)
hme	1674			614			156			2444		
hily	1637			495			136			2268		
August	1.599			465			116			2180		
September	1468	,		451		S	123			2042		
October	1620			496			141			2257		
November	1271			363			111			1745		
December	1265			418		86 i	97			1780		
TOTALS	17696			5658		20. 1	1590			24944		

CHAPTER 11	PHOFNIX		%	TUCSON		%	AMAA		%	DISTRICT		%
	2003	2004		2003	2004	la 33	2003	2004		2003	2004	
January	13	13	۵٥	5	8	60.0	0	0	0.0	18	21	16.7
February	15	11	(26.7)	7	3	(57.1)	0	0	0.0	22	14	(36.4)
March	39	17	(56.4)	4	3	(25.0)	1	2	1000	44	22	(50.0)
April	20	9	(55.0)	2	5	150.0	0	0	۵٥	22	14	(36.4)
May	11	10	(9.1)	2	4	100.0	0	3	300.0	13	17	30.8
hine	22			3			2			27		
July	40			1		0	2		2	43	*	
August	17			1			1		18	19		
September	18			9			1			28		
October	12			5			0			17		
November	14		0.00	1		0 0	1	The same of the sa		16		
December	20			1			1	3 12	35	22		
TOTALS	241			41			9			291		

United States Bankruptcy Court District of Arizona Filing Statistics Analysis Calendar Year 2003 vs. 2004

CHAPTER 13	PHOEMIX 2003 2004		%	TUCS ON 2003 2004		%	YUMA 2003 2004		%	DISTRICT 2003 2004		%
January	423	397	(62)	114	79	(30.7)	21	14	(33.3)	558	490	(12.2)
February	429	345	(19.6)	105	87	(17.1)	9	12	33.3	543	444	(18.2)
March	417	413	(10)	84	89	6.0	26	9	(65.4)	527	511	(3.0)
April	462	381	(17.5)	102	80	(218)	22	12	(45.5)	586	473	(19.3)
May	372	322	(13.4)	105	72	(314)	12	14	16.7	489	408	(16.6)
lume	414		50	102			20			536		
шу	361			79			9			449		
August	351			93			23			467		
September	397		80	101			12			510		8
October	370			105			24			499		83
November	342			86			17			44.5		
December	353			87			10	.,		450		
TOTALS	4691		26 3 00	1163			205	2		6059		

YEAR TO DATE	PHOENIX		%	TUCSON		%	AMUY		%	DISTRICT		%
TOTALS	2003	2004		2003	2004		2003	2004	2 2	2003	2004	
January	1613	1556	(3.5)	491	373	(24.0)	114	110	(3.5)	2218	2039	(8.1)
February	1677	1665	(0.7)	504	482	(4.4)	131	150	14.5	2312	2297	(0.6)
March	2004	2292	14.4	572	681	19.1	197	189	(4.1)	2773	3162	14.0
April	2105	2116	0.5	659	606	(8.0)	180	153	(150)	2944	2875	(2.3)
May	1964	1903	(3.1)	661	527	(20.3)	179	160	(10.6)	2804	2590	(7.6)
TOTALS YTD	9363	9.532	18	2887	2669	(7.5)	801	762	(4.9)	13051	12963	(0.7)



2.0 ASSIGNMENT OF MATTERS TO ADR.

The Court may assign a matter for inclusion in the ADR Program *sua sponte*, upon written stipulation of the parties to the matter, or on motion of a party to the matter or the U.S. Trustee. While participation by the parties in the ADR Program is generally intended to be voluntary, the Court may designate specific matters for inclusion in the ADR Program over the objection of one or more of the parties. Upon motion of the mediator, a party to the ADR Program, or the United States Trustee, the Court may order additional parties to participate in the ADR Program if the participation of the additional parties would be necessary or helpful.

3.0 TYPES OF MATTERS SUBJECT TO ADR.

Unless otherwise ordered by the Court, all controversies arising in an adversary proceeding, contested matter, or other dispute in a bankruptcy case are eligible for referral to the ADR Program.

4.0 EFFECT OF ADR ON PENDING MATTERS.

The assignment of a matter to the ADR Program does not relieve the parties to that matter from complying with any other Court orders or applicable provisions of the United States BankruptcyCode, the Federal Rules of Bankruptcy Procedure, or the local bankruptcy rules of this Court. Unless otherwise ordered by the Court, the assignment of a matter to the ADR Program does not delayor stay discovery, pretrial, hearing dates, or trial schedules.

5.0 THE MEDIATOR.

Panel of Mediators/ADR Program Administrator.

5.1

The Clerk of the Court shall establish and maintain two lists of attorneys and panel trustees (the "Panel") qualified under this Section 5.0 and approved by the Court to serve as mediators in the ADR Program. The Chief Bankruptcy Judge shall appoint a judge of this Court, who is willing, to serve as the ADR Program Administrator (the "ADR Program Administrator"). Aided by staff members of the Court, the ADR Program Administrator shall receive applications for approval to the Panel, track and compile reports on the ADR Program, and otherwise administer the ADR Program and handle such other administrative duties as are necessary.